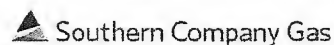


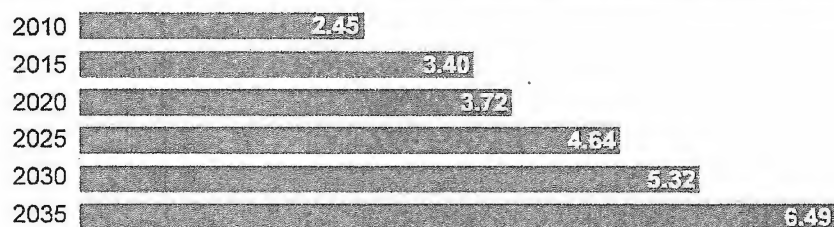
Atlantic Coast Pipeline

NC Department of Commerce
September 13, 2017



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Virginia and North Carolina Natural Gas Demand (in billion ft³/day)



Total natural gas demand in our region is estimated to rise at **3.5 percent** annually, **increasing nearly 165 percent** from 2010 to 2035.

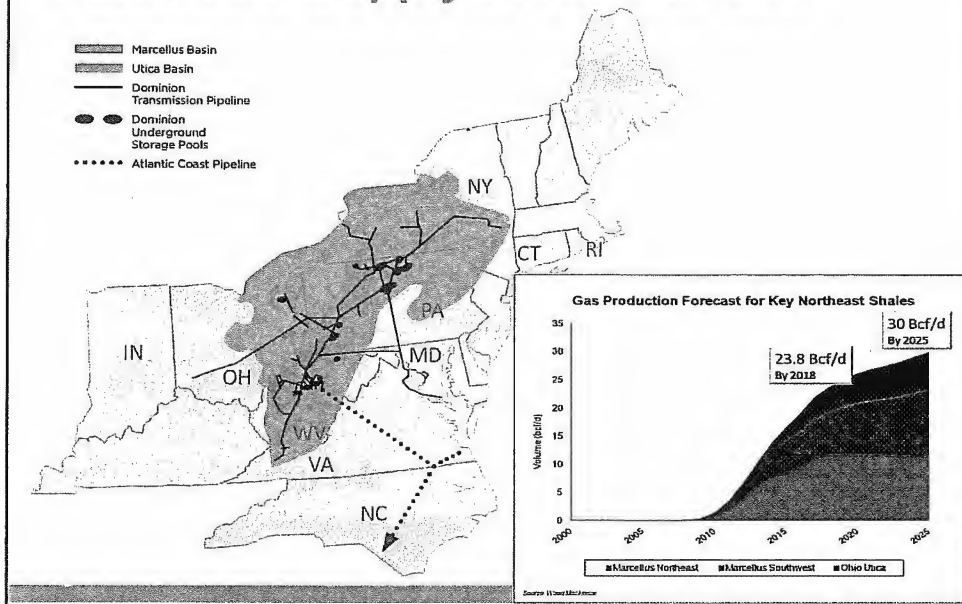
Source: *The Economic Impacts of the Atlantic Coast Pipeline*, ICF International, February 2015

By 2025, the U.S. Census Bureau predicts a population increase of:

- 1.8M in Virginia
- 2.1M in North Carolina

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Abundant Supply of Natural Gas



Atlantic Coast Pipeline

Ownership, Structure and Timeline

Ownership Structure

Dominion Resources*	48%
Duke/Piedmont Natural Gas	47%
Southern Company Gas	5%

* Dominion will construct, operate and manage the pipeline

Estimated Cost

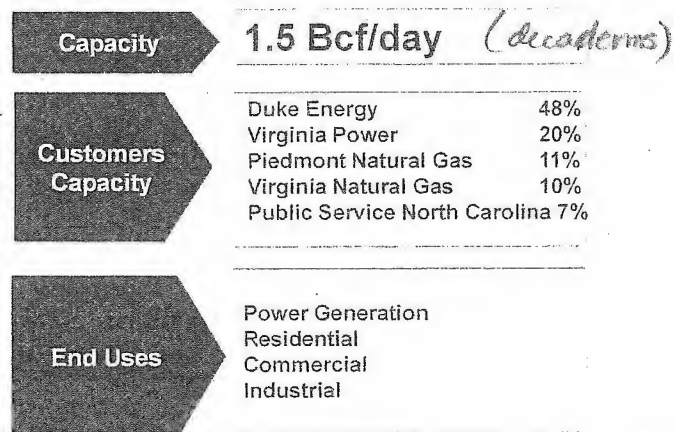
\$5 - \$5.5 billion**

** Excludes financing costs

Projected Timeline

Submit FERC pre-filing	October 2014
File FERC application	September 2015
Receive FERC Certificate	Fall 2017
In-Service	2 nd half 2019

Project Customers



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ACP Project Details

Length: Approximately 600 miles

Pipe: West Virginia: 42-inch diameter
 Virginia: 42-inch diameter
 North Carolina: 36-inch diameter
 Secondary line: 20-inch diameter

Capacity: 1.5 billion cubic feet/day

Three compressor station locations:

1. Lewis County, West Virginia
2. Buckingham County, Virginia
3. Northampton County, North Carolina

Route: Dominion has collected data through surveys and consultations with landowners and other stakeholders to determine the best route with the least impact to the environment, and to historic and cultural resources.

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Economic Analysis* North Carolina

200 miles of pipeline through eight counties

Total capital expenditures: **\$1.2 billion**

Construction

- ❑ Economic activity: \$680.2 million total
- ❑ Jobs: 4,426
- ❑ Local tax revenue: \$1.1 million annually

Operations

- ❑ Energy cost savings: \$134 million annually
- ❑ Economic activity: \$11.7 million annually
- ❑ Jobs: 925
- ❑ Local tax revenue: \$6 million annually

* Analysis provided by ICF International, Chmura Economics & Analysis, and Dominion Resources.

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Tax Benefits to Northampton County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ❑ Miles of pipeline: 200
- ❑ Estimated 2022 property tax payments \$7.7 million

Northampton County

- ❑ Miles of pipeline: 22 + comp station
- ❑ Estimated 2022 property tax payments \$1.6 million

Tax Benefits to Halifax County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Halifax County

- ☐ Miles of pipeline: 24
- ☐ Estimated 2022 property tax payments \$762,500

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Tax Benefits to Nash County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Nash County

- ☐ Miles of pipeline: 32
- ☐ Estimated 2022 property tax payments \$1 million

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Tax Benefits to Wilson County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Wilson County

- Miles of pipeline: 12
- Estimated 2022 property tax payments \$406,500

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Tax Benefits to Johnston County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Johnston County

- ☐ Miles of pipeline: 37
- ☐ Estimated 2022 property tax payments \$1.4 million

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Tax Benefits to Cumberland County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 194
- ☐ Estimated 2022 property tax payments \$6 million

Cumberland County

- ☐ Miles of pipeline: 38
- ☐ Estimated 2022 property tax payments \$1 million

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Tax Benefits to Sampson County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Sampson County

- ☐ Miles of pipeline: 8
- ☐ Estimated 2022 property tax payments \$286,500

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Tax Benefits to Robeson County

In 2022, the full value of the project will be reflected in tax payments estimated as follows

North Carolina counties (total for all)

- ☐ Miles of pipeline: 200
- ☐ Estimated 2022 property tax payments \$7.7 million

Robeson County

- Miles of pipeline: 22
- Estimated 2022 property tax payments \$891,500

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Thorough & Exhaustive Process

- 3-year process
- 150,000+ pages submitted to agencies
- 60,000+ public comments
- 50+ public meetings
- 6,000+ miles of potential routes evaluated
- 300+ route adjustments
- Dozens of local, state & federal agencies

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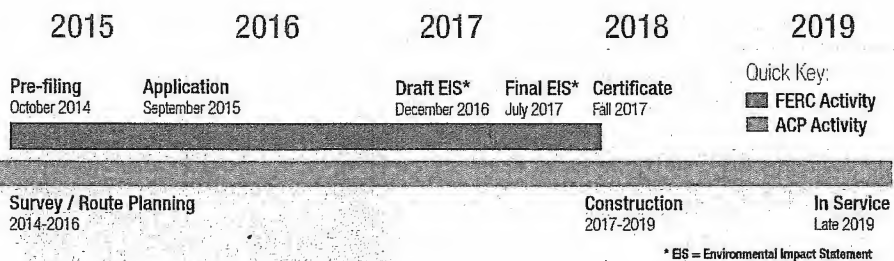
Progress Update

- Surveying: 98+ percent complete
- Easements: 70+ percent complete
- Pipe Production: 80 percent complete
- Land, materials & services: 85+ percent complete

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Project Timeline

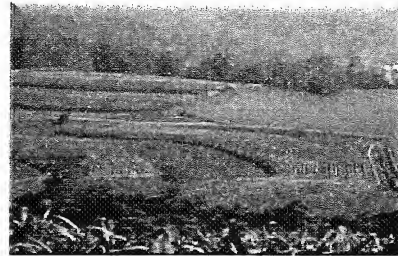


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Special Considerations: Agriculture

- ❑ Pipeline has four feet of cover to allow planting/plowing
- ❑ Compensation rate of 200% for annual crop loss
- ❑ Valuation of construction impact on loss of timber, Christmas trees and vineyards under development
- ❑ Fencing, row crops, and livestock: all allowable uses of right-of-way

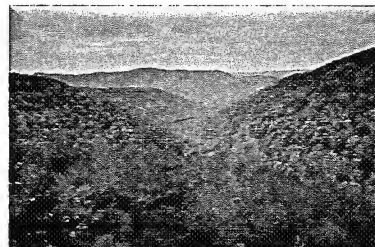


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Special Considerations: Timber

- ❑ Typically, Dominion will purchase and take ownership of timber, unless another agreement has been reached with the landowner
- ❑ An independent 3rd party completes an inventory of the property
 - Evaluate by species and diameter
 - Provide current market value

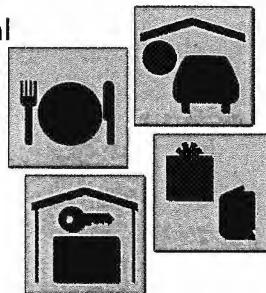


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Project Benefits

- ❑ Reliability and diversity of supply
- ❑ Cleaner air
- ❑ Economic development activity potential
- ❑ Economic activity during construction and operation
- ❑ Support growth of intermittent renewable power sources
- ❑ Employment opportunities
- ❑ Property tax revenues

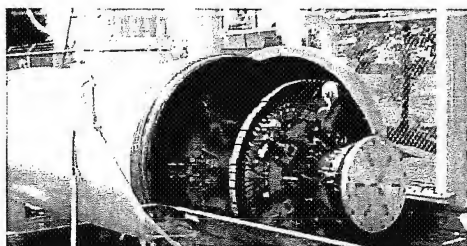
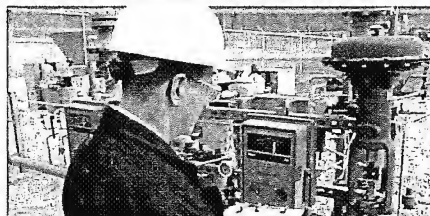


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Project Priority: Safety

- ❑ Rigorous federal and state testing protocols
- ❑ Pipeline welds are X-rayed
- ❑ Thorough inspections and pressure tests prior to operation

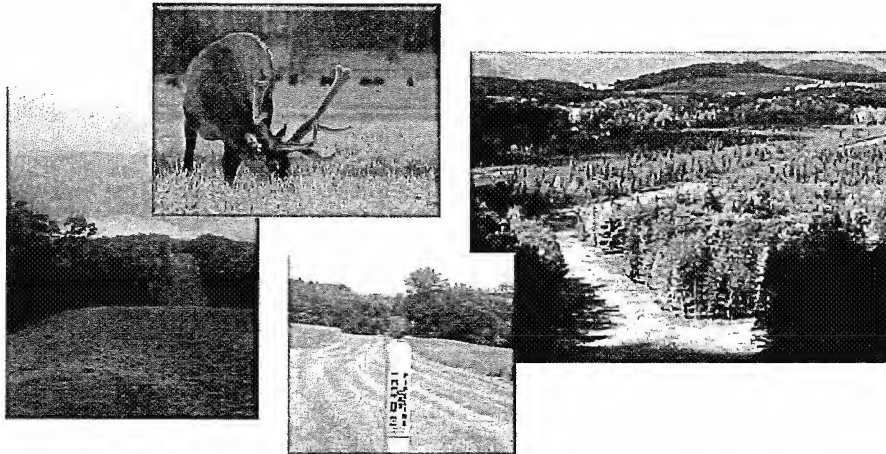


- ❑ Government-mandated operator qualification standards
- ❑ Community awareness programs
- ❑ Coordination with local emergency responders
- ❑ 24/7 monitoring from Dominion gas control center

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Right of Way



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Environmental Permits/Authorizations: North Carolina

Anticipated North Carolina Environmental Permits & Authorizations	
Permit/Approval	Agency
Clean Water Act – Section 401 Water Quality Certification	North Carolina Division of Water Resources – Wetlands Branch
Isolated wetland/Other Non 404 Jurisdictional Wetlands/Waters	North Carolina Division of Water Resources – Wetlands Branch
North Carolina National Pollutant Discharge Elimination System – General Stormwater Permit (NCG 01)	North Carolina Department of Environment and Natural Resources – Division of Water Quality
North Carolina Stormwater General Permit SWG 04 – For Linear Utility Projects	North Carolina Department of Environment and Natural Resources – Division of Water Quality
North Carolina Construction and Operation Permit (Air Permit)	North Carolina Department of Environment and Natural Resources – Division of Air Quality
National Historic Preservation Act Section 106 Clearance/Approval	North Carolina State Historic Preservation Office
Native American Consultations	Multiple
State Endangered Species Clearance	North Carolina Wildlife Resources Commission – Division of Wildlife Management

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NC Governmental Support

• U.S. Sen. Richard Burr	• Rep. Paul Tine (former)	• Harnett County
• U.S. Sen. Thom Tillis	• Rep. Ken Waddell	• Columbus County
• U.S. Rep. Richard Hudson	• Sen. Angela Bryant	• City Council of Roanoke Rapids
• U.S. Rep. David Rouzer	• Sen. Brent Jackson	• City Council of Lumberton
• U.S. Rep. George Holding,	• Sen. Buck Newton (former)	• City Council of Pembroke
• U.S. Rep. Robert Pittenger	• Sen. Ronald Rabin	• Town of Benson
• U.S. Rep. Mike McIntyre (former)	• Sen. Bill Rabon	• City of Rocky Mount
• U.S. Rep. Renee Ellmers, (former)	• Rep. Brendan Jones	• Rocky Mount Utilities Board
• Governor Pat McCrory (former)	• Sen. Danny Britt	• Town of Four Oaks
• Lt. Gov. Dan Forest	• Sen. Jane Smith (former)	• Town of Selma
• Rep. Kenneth Goodman	• Sen. Eric Smith-Ingram	• Town of Princeton
• Rep. Bobbie Richardson	• Sen. Michael Walters (former)	• Town of Spring Lake
• Rep. Charles Graham	• Rep. N. Leo Daughtry (former)	• Town of Red Springs
• Rep. James Langdon, Jr.	• Robeson County	• Fayetteville Public Works Commission
• Rep. Marvin Lucas	• Sampson County	
• Rep. Michael Wray	• Northampton County	
• Rep. Tim Moore, Speaker of the House	• Johnston County	
• Rep. John Szoka	• Halifax County	
	• Cumberland County	

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EnergySure Members (NC)

• Carolinas Gateway Partnership	• NC Economic Developers Assoc.	• Research Triangle Regional Partnership (Economic Development Advisory Committee)
• NCEast Alliance	• IBEW	• Wilson Economic Development Council
• NC Chamber of Commerce	• NC's Southeast	• NC Manufacturers Alliance
• NC Northeast Alliance	• Southeast Halifax Coalition,	• Smithfield Foods
• PCS Phosphate Company, Inc.,	• NUCOR	• NC Technology Associations
• Kordsa, Inc.,	• Four Oaks Bank	• O'Brien Atkins Architects
• Skyware Global	• Johnston County Economic Development Commission	• SEPI Engineering
• Roanoke Valley Chamber of Commerce	• MJ Price Construction	• NC Pork Council
• Almanac American Knits, LLC,	• Northampton County Economic Development Commission	• Stephenson General Contractors
• Greater Smithfield-Selma Area Chamber of Commerce	• Barnhill Contracting Company	• Waste Management
• Trinity Manufacturing	• Valley Proteins, Inc.	• NC Petroleum Council
• Fayetteville Regional Chamber of Commerce	• Bridgestone Americas Tire Plant, Wilson	• Gregory Poole Equipment
• PPG Fiber Glass	• Leadership North Carolina	• NC Railroad Company
• NC's Electric Cooperatives	• Research Triangle Region	• Nexsen Pruet
• Halifax County Economic Development Commission	• Ardagh Glass, Inc.	• Sanford Holshouser

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Friday, July 21, 2017

Federal Energy Regulatory Commission Releases Favorable Environmental Report for the Atlantic Coast Pipeline

The following is a statement from Leslie Hartz, Dominion Energy's Vice President, Engineering & Construction, regarding the Final Environmental Statement for the Atlantic Coast Pipeline released today by the Federal Energy Regulatory Commission (FERC):

"The favorable environmental report released today provides a clear path for final approval of the Atlantic Coast Pipeline this fall. The report concludes that the project can be built safely and with minimal long-term impacts to the environment. The report also reinforces previous findings by the FERC and decades of research demonstrating that natural gas pipelines do not adversely impact tourist economies or residential property values. With this report, the region moves one step closer toward a stronger economy, a more secure energy supply and a cleaner environment.

This report is the culmination of one of the most thorough and exhaustive environmental reviews that has ever been performed for a project of this scope. The report is based on nearly three years of painstaking study by more than a dozen federal agencies, as well as extensive engagement with communities along the proposed route. Drawing on more than 150,000 pages of regulatory filings and more than 75,000 public comments, FERC's report comprehensively addresses all of the environmental and safety issues that have been raised. By any measure, this has been a rigorous and transparent process. It has provided extensive opportunities for public review and participation, and it has left no stone unturned.

As the report demonstrates, over the last three years we've taken unprecedented steps to protect environmental resources and minimize impacts on landowners. We've made more than 300 route adjustments to avoid environmentally sensitive areas and protect important features of individual properties. We've adjusted the route to avoid wetlands, public and private drinking water sources, wildlife habitats, sensitive karst terrain, and many other environmental resources. In many areas of the project, we've adopted some of the most protective construction methods that have ever been used by the industry. While some impacts on the environment and landowners are unavoidable with any infrastructure project, the report demonstrates that we've taken all necessary steps to minimize those impacts and balance them with the urgent public need for the project.

The Atlantic Coast Pipeline is essential to the economic vitality, environmental health and energy security of our region. It will result in more economic opportunity, a cleaner environment, and lower energy bills for consumers and businesses. The project is urgently needed by public utilities in Virginia and North Carolina to generate cleaner electricity, heat homes and power local businesses. Public utilities in our region are depending on this project to meet the growing energy needs of the millions of customers they serve. With today's favorable report, we are confident we will receive final approval this fall and bring these important economic and environmental benefits to our region."

The Final Environmental Impact Statement is available for download on the [FERC website](#).

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